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**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

OST-99-6410-24

GENERAL COUNSEL

FEBRUARY 16, 2000

DEPT. OF TRANSPORTATION
400 Seventh St., S.W.
Washington, D.C. 20590
00 FEB 18 PM 4:10

Ms. Karen S. Kephart
Manager /Owner
NCP Travel
108 Ridgeville Blvd., Suite A
Mt. Airy, MD 21771

Dear Ms. Kephart:

Senator Mikulski has asked the Department of Transportation to respond to your letter to her of November 10, 1999, in support of the formal complaint **that** the American Society of Travel Agents (ASTA) has recently filed with this Department against a number of airlines (Docket OST-99-6410). ASTA alleges that in cutting the commissions that they pay travel agents, the airlines are engaging in unfair practices and unfair methods of competition in violation of 49 U.S.C. §41712.

The airlines filed their responses to ASTA's complaint on December 10. It is now up to the Enforcement Office to review the complaint and responses and determine whether, under our statute, the complaint should be pursued or dismissed. Under these circumstances, it would be inappropriate for **me** to comment on the substance of your letter. You can track the pleadings as well as the Department's actions through our Dockets web site at <http://dms.dot.gov>. Clicking on "search" and then typing "6410" in the space for the docket **number** and again clicking on "search" will bring up a list of all documents in the docket. Each item can be opened.

The Department's *ex parte* rules, 14 CFR Part 300, require that I place your letter and a copy of this reply in Docket OST-99-6410. Please be assured that ASTA's complaint will receive careful and thorough consideration.

Sincerely,



Samuel Podberesky
Assistant General Counsel for
Aviation Enforcement and Proceedings

cc: Brian Tate
Office of Senator Barbara A. Mikulski



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

DEPT. OF TRANSPORTATION
DO FEB 18 PM 4:30

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Office of the Secretary

January 5, 2000

The Honorable Barbara A. Mikulski
United States Senate
Washington, D. C. 20510

Dear Senator Mikulski:

Thank you for your letter on behalf of Ms. Karen S. Kephart, concerning her complaint against the American Society of Travel Agents. As you know, the Federal Trade Commission has been directed by Congress to act in the interest of all consumers to prevent deceptive or unfair practices and unfair methods of competition, pursuant to the Federal Trade Commission Act, 15 U.S.C. 41 et seq. In determining whether to take enforcement or other action in any particular situation, the Commission may consider a number of factors, including the type of violation alleged; the nature and amount of consumer injury at issue and the number of consumers affected; and the likelihood of preventing future unlawful conduct and securing redress or other relief. As a matter of policy, the Commission does not generally intervene in individual disputes. However, letters from your constituents provide valuable information that is frequently used to develop or support Commission enforcement initiatives.

I appreciate learning of your constituent's problem, but the issue described does not appear to implicate any of the statutes enforced by the Commission. Therefore, I have taken the liberty of forwarding your inquiry to the Department of Transportation for their review. I appreciate your interest in this matter, and please let us know whenever we can be of assistance.

Sincerely,

Donald S. Clark
Secretary of the Commission

cc: Director of Congressional Liaison
Department of Transportation
400 Seventh Street, S. W.
Washington, D. C. 20590

BARBARA A. MIKULSKI
MARYLAND

SUITE 709
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TDD: (202) 224-5223

1057
United States Senate
WASHINGTON, DC 20510-2003

November 22, 1999

408 0577
Ms. Lorraine Miller
Director
Office of Congressional Relations
Federal Trade Commission
6th & Penn. Ave. N.W. Rm. 404
Washington, D.C. 20580

Dear Ms. Miller:

I am writing to request your consideration of the attached correspondence from Ms. Karen Kephart. Please respond directly to Ms. Kephart and send a copy to Brian Tate of my staff. If you have any questions, please call Brian Tate at (202) 224-4654.

Thank you for your assistance.

Sincerely,



Barbara A. Mikulski
United States Senator

BAM:bct
Enclosure

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===== TRAVEL INNOVATORS, INC. =====

A Full Service Travel and Marketing Company

DEPT. OF TRANSPORTATION

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Mt. Airy Office

NCP Travel
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Mt. Airy, MD 21771
(301) 831-5079 Fax (301) 831-5025

00 SEP 18 PM 4:30

November, 10, 1999

The Honorable Barbara Mukulski
US Senate
Washington, DC 20510

Dear Senator:

Please save my business from unfair competition by writing to the Secretary of **Transportation** and ask him to act favorably upon the American Society of **Travel Agents' (ASTA)** complaint **against airline unfair** practices.

ASTA's filing requests the Secretary to use his authority to stop the unfair methods of competition the airlines are using to force travel agencies out of business. The airlines have driven travel agent compensation below the cost of doing business, while also creating a "cost squeeze" that drives up agents' cost with unnecessary and anticompetitive restrictions.

My small business continues to provide consumers **with the last, best hope for getting neutral, professional information and advice about travel service options.** If the airlines succeed, consumers will pay more. On behalf of my clients and employees, we thank you for contacting the Secretary and notifying me or my trade association, **ASTA, at 703-739-6842 of your action.**

I look forward to hearing from you soon.

Sincerely,



Karen S. Kephart
Manger/Owner, NCP Travel